

# Executive and PM Study City Council Briefing

Attachment to Item # 12A  
Amendment to Ordinance 8064

April 11, 2006

# Executive and PM Study City Council Briefing

- The City's previous Comprehensive Classification and Compensation plan was adopted in 1969. Since then sections of the plan have been modified but an adjustment to the entire plan has not occurred.

# Executive and PM Study City Council Briefing

- Because we had not updated our Plan, job classes such as those in the Engineering field were not paid enough to hire and retain qualified Engineers. The City was able to attract recent college graduates, Engineers with no experience, but as soon as they gained experience they were hired away.
- Therefore the City hired a consultant to modernize the Plan.

# Executive and PM Study City Council Briefing

- The core of the study was produced by the Public Sector Personnel Consulting (PSPC) company in 2001
- All classified civilian positions were studied at that time. New job class specifications were written and recommendations were made on a new and up to date pay structure. The study was never implemented in total.
- The concept of “broad banding” closely related jobs, generalist positions, and simplifying job families has continued to be a City goal.

## Executive and PM Study City Council Briefing (continued)

- To update the study, the City again contracted with PSPC to perform classification services. Another outside consultant familiar with the original study was contracted to update the compensation survey.
- HR met with all City departments to explain the study, gather input and review and revise the position description questionnaires (PDQ's) as needed.

## Executive and PM Study City Council Briefing (continued)

- Updated PDQ's were reviewed by HR and sent to PSPC as needed.
- The work product reflects the original study, but also includes new information supplied by departments including the evolution of job duties and an aged (up to date) compensation survey .

## Executive and PM Study City Council Briefing (continued)

- Once the classes were finalized and employees were slotted Department Heads were briefed as to the study's results.
- In December 2005 departmental meetings were held to explain the effects of the study to EX and PM staff members.

## Executive and PM Study City Council Briefing (continued)

- During the meeting employees were told their new title, pay rate, pay range and were given copies of their new specification.
- Employees were told that if they believed they had been slotted into the wrong classification they could appeal, through their Department Head, to HR. We received 12 appeals, resolved 9, and 3 were resolved by the CSC with mutual agreement with HR.



## Executive and PM Study City Council Briefing (continued)

- In January 2006 all EX and PM employees were invited to participate in a Round Table meeting with the City Manager to discuss the study.
- The PSPC staff member who had primary responsibility for the City's study was on hand to take questions from employees and explain how the study was conducted.

## Executive and PM Study City Council Briefing (continued)

- The primary focus on the setting of the pay ranges are the wages paid to “Bench Mark” positions, nationwide, in competitive southwestern cities, and major area employers.
- Jobs that were not benchmarked, were slotted into the pay structure.
- Adjustments were also made due to special compensation issues involving recruitment and retention, as well as on the basis of internal equity.

## Executive and PM Study City Council Briefing (continued)

- There are approximately 325 current job classes for the Executive and PM plans.
- The proposed classification plan has approximately 268 job classes for Executive and PM plans.
- This is approximately a 18% reduction of job classes. Reduction of the number of job classes simplifies the system but maintains the same number of employees in their positions, just more efficiently.

## Executive and PM Study City Council Briefing (continued)

- The implementation cost comes entirely from employees being raised to the new higher minimum rate.
- Of the approximately 268 job classes, the overwhelming majority, 96.3%, will experience an increase at the minimum of the pay range. This increase will cause those employees below the range of pay to be raised to the new higher minimum levels.

## Executive and PM Study City Council Briefing (continued)

- Of the 268 job classes about 87% will experience a raise at the maximum level. An increase at the maximum will allow the more tenured employees to continue their yearly progression toward a higher salary.
- Approximately 84.3% of current job classes will see an increase to both the minimum and maximum rates of pay.

# Executive and PM Study City Council Briefing (continued)

- That leaves only about 15.7% of the classes to experience a reduction in the salary range which is distributed as follows:
  - 1.2% have a reduction only to the minimum salary.
  - 11.4% have a reduction only to the maximum salary.
  - The remaining 3.1% have a reduction at both the minimum and maximum salary ranges.

## Executive and PM Study City Council Briefing (continued)

- As of the March 31, 2006 PeopleSoft database, there are 449 employees covered by the study.
- Of the 449 employees, 39% or 177 employees will receive a raise in pay to bring them to the higher minimum pay for their new range.

## Executive and PM Study City Council Briefing (continued)

- Of that number 23 are in the Executives pay plan and 154 are in the Professional Managerial pay plan.
- The average increase for the 177 employees is an annual base increase of \$3,470 per year.



## Executive and PM Study City Council Briefing (continued)

- The cost of implementing the Executive / PM portion of the Study for FY 2006 is estimated to be \$193,152\* assuming a June implementation date for 3 months.
- The full year cost of implementation is about \$772,607\*.

\*Note: Cost assumes current staffing levels, is for all funds and includes the cost of benefits associated with an increase in the base salary. Cost includes PSB employees but does not include the Health Department.